

Kingston, NY - With gas prices at or near record prices, many New Yorkers are once again struggling to fill their tanks while large oil companies rake in record profits and benefit from billions in taxpayer subsidies. That has Congressman Maurice Hinchey (D-NY) calling for a series of actions from Congress and the White House to address the problem immediately.

"For New York families on a tight budget, this is an economic emergency," said Hinchey. "We can't afford to let gigantic oil companies and Wall Street speculators rake in record profits on the backs of upstate New Yorkers who are just trying to drive back and forth to work or the grocery store. It's time to crack down on financial speculators who artificially drive up the price of oil to pad their own profits, put a stop to price gouging, end subsidies for Big Oil and start investing more in clean energy technologies that will reduce our dependence on imported oil from hostile nations."

Among the solutions proposed by the congressman:

1. Crack Down on Speculation: Last week, the U.S. Commodity Futures Trading Commission (CFTC) released new data indicating that speculation had increased by 64 percent since June 2008 - the highest level on record. That helps explain the sharp increase in gas prices that has occurred in the absence of a major supply disruption. To address the problem, Hinchey is urging the CFTC to use its authority to immediately crack down on speculation, and is warning against a one-third cut to the CFTC budget proposed by House Republicans.
2. Institute a "Use it or Lose It" Policy: Currently, oil and gas companies lease over 80 million acres for drilling on public lands and in public waters, but are only producing on 18.5 million acres. Despite the opportunity to boost production, under current law, oil companies can hold on to federal leases even if they aren't producing oil. To help increase domestic sources of energy, Hinchey's plan would require oil and gas companies to use their leases or pay a \$4 per acre fee until production begins.
3. Make Gas Price Gouging Illegal: Hinchey is a cosponsor of the Federal Price Gouging Prevention Act, which makes it illegal to sell gasoline at excessive prices and prevents Big Oil from taking advantage of consumers by engaging in price gouging to artificially drive up prices.

4. Stop Subsidizing Big Oil, Start Subsidizing Green Energy: Hinchey echoed President Obama's call to end \$40 billion in Big Oil subsidies and instead use the money to invest in new technology that lessens our dependence on foreign oil. Hinchey is working to pass the Ending Big Oil Tax Subsidies Act and recently sponsored an amendment to close a \$53 billion loophole that allows oil companies drilling in the Gulf of Mexico to avoid paying royalties owed to American taxpayers.

The congressman said America needs a comprehensive approach to reducing its addiction to oil and that the Hudson Valley's solar energy industry can help lead the way forward and also pointed to ongoing research at universities like Binghamton and Cornell. "New battery technologies are already being developed at Cornell, and Binghamton University is doing fantastic things with other revolutionary new energy research," Hinchey added. "As we look to transition away from using oil, we need to invest in research and development of new technologies and that starts right here at home."

Despite a recent effort from House Republicans to roll back investments in renewable energy, Hinchey said he'll press on to ensure that America is a leader in green energy production.

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